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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

Tri Harbor Holdings Corporation (f/k/a Aceto Corporation), *et al.*,¹

Liquidating Debtors.

Chapter 11

Case No. 19-13448 (VFP)

(Jointly Administered)

**REPORT OF DISTRIBUTIONS
UNDER CONFIRMED CHAPTER 11 PLAN²**

Date of Distribution: November 22, 2019

Date Plan Confirmed: September 18, 2019

Check one: ☒ Initial Distribution
 ☐ Subsequent Distribution

The Liquidating Debtors processed initial distributions on November 22, 2019 on account of Class 3A Allowed General Unsecured Claims against the Aceto Chemical Plus Debtors.³

¹ The Liquidating Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: Tri Harbor Holdings Corporation (f/k/a Aceto Corporation) (0520); Tri Harbor Chemical Holdings LLC (f/k/a Aceto Agricultural Chemicals LLC, f/k/a Aceto Agricultural Chemicals Corporation) (3948); Tri Harbor Realty LLC (f/k/a Aceto Realty LLC) (7634); Kavod Pharmaceuticals LLC (f/k/a Rising Pharmaceuticals, LLC, f/k/a Rising Pharmaceuticals, Inc.) (7959); Kavod Health LLC (f/k/a Rising Health, LLC) (1562); Kavris Health LLC (f/k/a Acetris Health, LLC) (3236); KAVACK Pharmaceuticals LLC (f/k/a PACK Pharmaceuticals, LLC) (2525); Arsynco, Inc. (7392); and Acci Realty Corp. (4433).

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the *Second Modified Joint Plan of Liquidation of Aceto Corporation and Its Affiliated Debtors* [Docket No. 757] (the "Plan").

³ Pursuant to Section 8.04 of the Plan, the initial distribution on account of the Allowed Notes Claims was paid by the Plan Administrator directly to the Notes Indenture Trustee (*i.e.* Wilmington Trust, National Association, in its capacity as the successor indenture trustee for the Notes under the Notes Indenture). Any questions regarding timing and payment of initial distributions from the Notes Indenture Trustee to the Holders of Allowed Notes Claims should be directed to the Notes Indenture Trustee.

Class 3A General Unsecured Claims that are not yet Allowed and are unresolved at this time are being reserved for in the Class 3A GUC Claims Reserve. Attached as **Exhibit A** is a chart showing Class 3A Allowed General Unsecured Claims that have been sent initial distributions,⁴ the amount of such initial distributions, and the asserted Class 3A General Unsecured Claims that are not yet Allowed.⁵

Due to unresolved, disputed and/or unliquidated Administrative Claims, Priority Tax Claims, Other Priority Claims, Other Secured Claims,⁶ Class 3B General Unsecured Claims asserted against the Rising Pharma Debtors and Class 3C General Unsecured Claims asserted against Arsynco, the Liquidating Debtors will not be making initial distributions on account of such Claims at this time.⁷

The Liquidating Debtors cannot determine at this time whether any distributions will ultimately be made on account of Class 4A Subordinated Claims asserted against the Aceto Chemical Plus Debtors, Class 4B Subordinated Claims asserted against the Rising Pharma Debtors, or Class 6A Interests in Aceto.

Will future distributions be made under the Plan: ☒ Yes ☐ No

Future distributions will be made to (check all that apply):

Administrative Claims ☒

Other Secured Claims ☒

Priority Tax Claims **Unknown at this Time**

Other Priority Claims **Unknown at this Time**

Class 3A General Unsecured Claims (Aceto Chemical Plus Debtors) ☒

Class 3B General Unsecured Claims (Rising Pharma Debtors) ☒

Class 3C General Unsecured Claims (Arsynco) ☒

Class 4A Subordinated Claims (Aceto Chemical Plus Debtors) **Unknown at this Time**

Class 4B Subordinated Claims (Rising Pharma Debtors) **Unknown at this Time**

Class 6A Equity Interests in Aceto **Unknown at this Time**

Anticipated date of next distribution, if known: **Unknown at this Time**

⁴ With respect to the Allowed Class 3A General Unsecured Claims of former employees listed on Exhibit A hereto that are receiving initial distributions, given the payroll/employment tax withholding requirements (the “**Required Withholding Amounts**”) with respect to such claims, the Liquidating Debtors are utilizing Aceto’s former payroll processor, ADP, to process the initial distributions to such employees, including the withholding and remittance of the Required Withholding Amounts to the appropriate taxing authorities. ADP has indicated that it expects such distributions will be processed as soon as practicable after November 22, 2019. **Due to the Required Withholding Amounts, the initial distribution amounts to actually be received by Allowed Class 3A General Unsecured Claims of former employees listed on Exhibit A hereto will be less than the amounts listed in the “Initial Distribution” column on Exhibit A hereto.**

⁵ The Liquidating Debtors have until 180 days after the Effective Date (or such later date as may be extended pursuant to the Plan) to file objections to unresolved Claims.

⁶ The Liquidating Debtors are reserving for (a) all asserted (but not yet Allowed) Priority Tax Claims, Other Priority Claims, and Administrative Claims (other than Professional Claims, which Claims shall be subject to and paid from the Professional Claims Reserve upon final allowance by the Bankruptcy Court) in the Administrative and Priority Claims Reserve; and (b) all asserted (but not yet Allowed) Other Secured Claims in a separate reserve.

⁷ All Claims asserted against Debtor Acci Realty have been disallowed and/or withdrawn. Accordingly, Class 3D General Unsecured Claims (Acci Realty) does not have any Allowed Claims and therefore such Class will not receive any distributions under the Plan.

Percentage dividend to general unsecured creditors:

Paid in this Distribution to Class 3A Allowed General Unsecured Claims:	<u>87.92</u>	%
Paid to Date to Class 3A Allowed General Unsecured Claims:	<u>87.92</u>	%
To be paid after all distributions made under Plan:	<u>TBD</u>	%

Summary of Total Payments Made in This Distribution:

\$ <u>0</u>	Administrative Claims
\$ <u>0</u>	Other Secured Claims
\$ <u>0</u>	Priority Tax Claims/Other Priority Claims
\$ <u>136,917,450.47</u>	General Unsecured Claims
\$ <u>0</u>	Equity Interests in Aceto/Subordinated Claims
\$ <u>136,917,450.47</u>	TOTAL PAYMENTS MADE IN THIS DISTRIBUTION

Questions regarding Plan distributions may be directed to:

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Company: Lowenstein Sandler LLP

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Address 2: _____

City, State, ZIP: Roseland, New Jersey 07068

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Email: pgross@lowenstein.com; wjung@lowenstein.com

Relationship to Plan proponent: Counsel to Liquidating Debtors

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

DATE: November 25, 2019



Plan Administrator

EXHIBIT A

Exhibit A

**Aceto - Plan Class 3A General Unsecured Claims Against Aceto Chemical Plus Debtors Initial Distribution Amounts
& Class 3A GUC Claims Reserve Amounts
As of 11/22/2019**

Class	Count of Claims - Not Disallowed or Expunged	Current Class 3A GUC Claim Amount	Initial Distribution Amount *	GUC Claims Reserve Amounts**	Initial Distribution Percentage
3A	79	\$ 179,317,929.72	\$ 136,917,450.47	\$ 9,640,058.07	87.92%

*With respect to the Allowed Class 3A General Unsecured Claims of former employees included in this amount that are receiving initial distributions, given the payroll/employment tax withholding requirements (the "Required Withholding Amounts") with respect to such claims, the Liquidating Debtors are utilizing Aceto's former payroll processor, ADP, to process the initial distributions to such employees, including the withholding and remittance of the Required Withholding Amounts to the appropriate taxing authorities. ADP has indicated that it expects such distributions will be processed as soon as practicable after November 22, 2019. Due to the Required Withholding Amounts, the initial distribution amounts to actually be received by Allowed Class 3A General Unsecured Claims of former employees listed below will be less than the amounts listed in the "Initial Distribution" column below.

**Amount Includes \$1.9mm in cash reserved for SigmaPharm Laboratories, LLC's asserted GUC claim against Aceto (as agreed upon by stipulation [Docket No. 1028]). Amount also includes \$6,876,198.00 in cash reserved for DPO Claim calculated pursuant to and consistent with Section 8.12 of the Plan.

**Aceto - Plan Class 3A General Unsecured Claims Against Aceto Chemical Plus Debtors Initial Distribution Amounts & Class 3A GUC Claims Reserve Amounts
As of 11/22/2019**

Claim #	Tax ID	Claimant	Claim Type	Current Class 3A Amount	Status	Initial Distribution	GUC Claims Reserve Amounts
Aceto - Class 3A Allowed GUC Claims to Receive Initial Distribution:							
172	Yes	Wilmington Trust NA, as successor Indenture Trustee	Bondholder	144,612,500.00	Allowed	127,144,265.63	-
146	Yes	DPO Claim - Cedar Pharma LLC (f/k/a Citron Pharma LLC) 1	Other	30,000,000.00	Allowed	6,500,000.00	6,876,198.00
99-1	Yes	Schumacher, Eric 2	Employee	439,969.00	Allowed	386,823.65	-
289	Yes	Park 80 West Owner LLC, William Penn Park 80 West TIC LLC, and Sutton Park 80 West TIC LLC	Lease Rejection	400,000.00	Allowed	351,682.64	-
102-1	Yes	Owen, Roger 2	Employee	397,638.00	Allowed	349,605.96	-
69	Yes	PricewaterhouseCoopers LLP	Trade	379,500.00	Allowed	333,658.91	-
144-1	Yes	Santhanam, Karthikeyan 2	Employee	267,028.00	Allowed	234,772.78	-
80-1	Yes	Gasparino, Robert 2	Employee	246,100.00	Allowed	216,372.75	-
75-1	Yes	Neeley, Katherine 2	Employee	241,638.00	Allowed	212,449.73	-
120-1	Yes	Cardetti, Lisa 2	Employee	226,600.00	Allowed	199,228.22	-
113	Yes	Mastrodomenico, Rocco 2	Employee	211,000.00	Allowed	185,512.59	-
194	Yes	Ogunkola, Ezekiel 2	Employee	192,403.86	Allowed	169,162.75	-
83	Yes	Idigo, Anthony 2	Employee	150,000.00	Allowed	131,880.99	-
91-1	Yes	Sisodia, Mona 2	Employee	140,000.00	Allowed	123,088.93	-
89	Yes	Roth, Douglas 2	Employee	119,280.00	Allowed	104,871.76	-
112	Yes	Mazzola, Courtney 2	Employee	115,500.00	Allowed	101,548.36	-
277	Yes	CRG Financial LLC (As assignee of Pine Hill Group LLC)	Trade	74,062.44	Allowed	65,116.19	-
101	Yes	Tomasino, Peter 2	Employee	65,279.91	Allowed	57,394.53	-
164	Yes	Sheridan, Hongmei Maggie 2	Employee	45,326.00	Allowed	39,850.92	-

Aceto - Plan Class 3A General Unsecured Claims Against Aceto Chemical Plus Debtors Initial Distribution Amounts & Class 3A GUC Claims Reserve Amounts
As of 11/22/2019

Claim #	Tax ID	Claimant	Claim Type	Current Class 3A Amount	Status	Initial Distribution	GUC Claims Reserve Amounts
122	Yes	Law Office of David F. Zeid	Trade	10,850.00	Allowed	9,539.39	-
65	Yes	CT CORPORATION	Trade	709.50	Allowed	623.80	-

Aceto - Class 3A Allowed GUC Claims to Receive Initial Distribution	178,335,384.71	136,917,450.47	6,876,198.00
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Aceto - Class 3A Allowed GUC Claims to be Reserved for due to Missing Tax Information:

178	No	Intralinks Inc	Trade	\$ 34,737.50	Allowed	-	30,541.44
100	No	PSE&G	Utility	\$ 28,159.85	Allowed	-	24,758.33
19	No	Daimler Trust	Trade	\$ 4,428.72	Allowed	-	3,893.76
3	No	BMW Financial Services NA, LLC	Trade	\$ 3,696.00	Allowed	-	3,249.55
106	No	Grunfeld Desiderio Lebowitz Silverman & Klestadt LLP	Trade	\$ 2,000.60	Allowed	-	1,758.94
239	No	BMW Financial Services NA, LLC	Trade	\$ 159.50	Allowed	-	140.23

Aceto - Class 3A Allowed GUC Claims to be Reserved for due to Missing Tax Information	\$ 73,182.17	-	64,342.25
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Aceto - Class 3A Unresolved GUC Claims to Be Reserved For:

155	Yes	SIGMAPHARM LABORATORIES, LLC	Litigation	\$ -	Unresolved	-	1,900,000.00
266	No	Commonwealth of Pennsylvania, Department of Human Services	Customer	\$ 255,695.30	Unresolved	-	224,809.00
260	No	Ohio Department of Medicaid	Customer	\$ 199,098.48	Unresolved	-	175,048.70
93	Yes	DeBenedittis, Daniel	Employee	\$ 123,152.46	Unresolved	-	108,276.46
196	Yes	Lasko, Donna	Equity	\$ 77,393.00	Unresolved	-	68,044.44
241	Yes	Korson, Jody	Employee	\$ 40,400.00	Unresolved	-	35,519.95
258	No	Ohio Department of Medicaid	Customer	\$ 32,693.04	Unresolved	-	28,743.94

**Aceto - Plan Class 3A General Unsecured Claims Against Aceto Chemical Plus Debtors Initial Distribution Amounts & Class 3A GUC Claims Reserve Amounts
As of 11/22/2019**

Claim #	Tax ID	Claimant	Claim Type	Current Class 3A Amount	Status	Initial Distribution	GUC Claims Reserve Amounts
62	No	PSE&G	Trade	\$ 25,357.96	Unresolved	-	22,294.89
218	Yes	Kaczmarek, Walter	Employee	\$ 20,466.45	Unresolved	-	17,994.24
170	Yes	TRC Global Mobility, Inc.	Trade	\$ 19,723.38	Unresolved	-	17,340.93
73	No	State of New Jersey, Division of Taxation	Tax	\$ 18,000.00	Unresolved	-	15,825.72
72	Yes	Integrated Analytical Laboratories, LLC	Trade	\$ 17,746.00	Unresolved	-	15,602.40
154	Yes	Zych, Arkadiusz	Employee	\$ 14,150.00	Unresolved	-	12,440.77
10	Yes	Safety-Kleen/CleanHarbors	Trade	\$ 11,957.50	Unresolved	-	10,513.11
86	Yes	Lodge, Horace	Employee	\$ 9,789.86	Unresolved	-	8,607.31
88	No	Lotfi, Sammy	Employee	\$ 9,500.00	Unresolved	-	8,352.46
114	Yes	FIDUCIARY INVESTMENT ADVISORS	Trade	\$ 8,640.29	Unresolved	-	7,596.60
249	Yes	U.S. Customs and Border Protection	Tax	\$ 7,416.00	Unresolved	-	6,520.20
247	Yes	West Corp dba West LLC	Trade	\$ 5,115.54	Unresolved	-	4,497.62
259	No	Ohio Department of Medicaid	Customer	\$ 4,692.17	Unresolved	-	4,125.39
238	Yes	Missouri Department of Revenue	Tax	\$ 2,475.00	Unresolved	-	2,176.04
275	No	Daimler Trust	Trade	\$ 2,375.75	Unresolved	-	2,088.78
226	No	Georgia Department of Revenue	Tax	\$ 1,858.77	Unresolved	-	1,634.24
228	No	BMW Financial Services NA, LLC	Trade	\$ 788.49	Unresolved	-	693.25
235	Yes	Missouri Department of Revenue	Tax	\$ 711.50	Unresolved	-	625.56
265	No	Dallas Assoc of Credit Management, Inc	Trade	\$ 95.00	Unresolved	-	83.52

**Aceto - Plan Class 3A General Unsecured Claims Against Aceto Chemical Plus Debtors Initial Distribution Amounts & Class 3A GUC Claims Reserve Amounts
As of 11/22/2019**

Claim #	Tax ID	Claimant	Claim Type	Current Class 3A Amount	Status	Initial Distribution	GUC Claims Reserve Amounts
121	No	South Carolina Department of Revenue	Tax	\$ 70.90	Unresolved	-	62.34
71	Yes	Philip LaRussa 3	Employee	\$ -	Unresolved	-	-
110	Yes	Basile, Maryann 3	Employee	\$ -	Unresolved	-	-
135	Yes	Martha Myers 3	Employee	\$ -	Unresolved	-	-
211	Yes	Kaczmarek, Walt 3	Employee	\$ -	Unresolved	-	-
175	Yes	AIG Property Casualty, Inc. and its affiliates identified on the Addendum hereto	Insurance	Unliquidated	Unresolved	-	-
248	Yes	US Customs and Border Protection	Tax	Unliquidated	Unresolved	-	-
271	Yes	U.S. Department of Justice (on behalf of U.S. Dept. of Health & Human Services)	Litigation	Unliquidated	Unresolved	-	-

Aceto - Class 3A Unresolved GUC Claims to Be Reserved For **\$ 909,362.84**

Aceto - Class 3A Total Resolved & Unresolved GUC Claims **\$ 179,317,929.72**

- **2,699,517.82**

136,917,450.47 **9,640,058.07**

Note:

(1) Amount of initial distribution and GUC Claims Reserve on account of DPO Claim calculated pursuant to and consistent with Section 8.12 of the Plan

(2) Due to the Required Withholding Amounts (as defined above), the initial distribution amounts to actually be received by Allowed Class 3A General Unsecured Claims of former employees listed above will be less than the amounts listed in the "Initial Distribution" column above.

(3) Claim was filed asserting administrative or priority amount and is being fully reserved for in the Administrative and Priority Claims Reserve. Additionally, claim is subject to pending objection to reclassify asserted administrative or priority amount to an unsecured claim.